FRIENDS OF UTAH STATE PARKS BEVERAGE CONTAINER DEPOSIT ACT

FACTS:

- Currently eleven states have beverage container deposit laws (California, Connecticut, Delaware, Hawaii, Iowa, Maine, Massachusetts, Michigan, New York, Oregon, and Vermont) and seven states have campaigns for similar legislation (Florida, Maryland, New Hampshire, New Jersey, New Mexico, Tennessee, and West Virginia). (1)
- □ The eleven states with beverage container laws average approximately 70% recycle rates, Michigan having a 90% rate. (1) Utah, by contrast, currently recycles only 24% of its produced beverage containers. (2)
- □ Environmental and public interest organizations, sporting enthusiasts, farmers, and bicyclists are some groups who support beverage container legislation. Several national polls have found that 75% or more of respondents support this type of legislation and that support is strong among all constituencies, regardless of age, income, party affiliation or region of the country.
- □ Beverage container legislation is typically opposed by beverage producers, distributors and by the food and beverage wholesalers and retailers. To compensate for this issue, the "Beverage Container Deposit Act": (1)
 - o Provides for ¼ cent commission on containers to producers (bottlers) and ¼ cent to authorized redemption centers to cover administrative costs.
 - Based on the approximate 1.55 billion containers sold in Utah, this could amount to \$3.875 million annually.
- What benefit is there to beverage container legislation?
 - Significant reduction in litter and landfill costs to cities and counties.
 - Conservation and more efficient use of natural resources through recycling.
 - o Saves landfill space, resulting in reduction of future landfill expenses.
 - o Enhances tourism a "clean" state is a good place to visit.
 - Stimulates growth of the recycling industry and creates jobs through establishment of redemption centers with a good return on investment.
 - Provides opportunities for civic groups to generate revenue for community projects, youth sports, and other worthwhile causes through recycling efforts and the creation of local redemption centers.
 - Provides grant revenue for the acquisition and development of outdoor recreation facilities for the state, cities and counties throughout Utah.
- What happens to the money from unredeemed deposits?
 - 50% of the unredeemed deposits would go to cities and counties through passthrough grants for the acquisition and development of outdoor recreation facilities, similar to the Land and Water Conservation Fund and Utah Nonmotorized Trails grants.
 - 50% would be allocated to the Division of State Parks and Recreation in order to address park renovation and the \$160 million backlog of deferred maintenance that is currently not being reduced or funded through general fund appropriation.
 (3)
 - The amount of money available could be as high as \$19 million annually (assuming a 75% redemption rate) or as low as \$4 million (assuming a 95% redemption rate). Reality would be somewhere in between. (4)
 - All proceeds from unredeemed deposits require annual appropriation by the legislature through the normal budget process.

- □ What is the relation between outdoor recreation and recycling of beverage containers?
 - Conservation of natural resources and cleaner environment. According to 2006 data, 1,189,858 Mbtu (million British thermal units), can be saved by recycling beverage containers. The average household uses 95 Mbtu annually. In addition, 20,109 metric tons of greenhouse gas (MTCE: Metric Tons of Carbon Equivalent), could be eliminated. By comparison, emissions from one passenger car are 1.5 MTCE annually. (2)
 - The "Beverage Container Deposit Act" would provide opportunities to enhance the environment by creating new and renovating old outdoor recreation facilities and by providing non-motorized and non-polluting activities.
 - Facilities and activities would provide active recreation for our children who face unprecedented health concerns and obesity.
 - This contribution to the health of our society, in general, would be made without the use of tax dollars.
- □ Is this just another "tax" on the public? <u>Absolutely not!</u> On the contrary, this deposit should not even be considered a fee. The purchaser will receive the full 5- cent deposit by returning the container to a redemption center; therefore there is no additional cost to the consumer.

References

- (1) www.bottlebill.org
- (2) www.container-recycling.org
- (3) Utah Division of State Parks and Recreation
- (4) Based on 2006 data received from the Container Recycling Institute; www.container-recycling.org